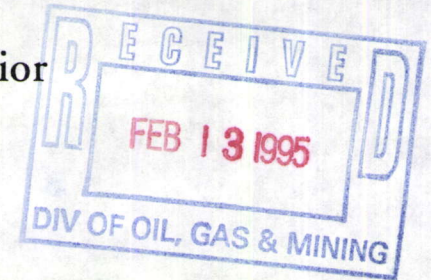




United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Salt Lake District Office
2370 South 2300 West
Salt Lake City, Utah 84119



IN REPLY REFER TO:

U-69244
(UT-024)
3809

Certified Mail P 760 541 651
Return Receipt Requested

Mr. David Reilly, President
Chemical Lime Company
2800 North 44th Street, Suite 400
Phoenix, AZ 85008-5711

Dear Mr. Reilly:

On October 15, 1992 this office was notified that Chemical Lime Company had acquired the assets of Union Pacific Resources' Material Energy Research and Recovery Corporation (M.E.R.R.) located along the Lakeside Mountains in Tooele and Box Elder Counties, Utah. These assets were reported to include the existing kiln facility (Marblehead Plant) and the associated mining claims at the location of the proposed limestone quarry in T. 3 N., R. 9 W., Sections 5, 8, and 17. On June 5, 1991 a Notice was accepted by this office which allowed M.E.R.R. to conduct an exploratory bulk sampling operation on mining claims in this area. A records search indicates that these mining claims currently belong to JTM Industries, another Union Pacific Company, which is located in Kennesaw, Georgia.

In an effort to close out long-idle or inactive casefiles, our office conducted an inspection of the area proposed for quarrying by M.E.R.R.. The inspection revealed that there has been no effort to reclaim any of the surface disturbance associated with M.E.R.R.'s bulk sampling operation, as required under 43 CFR 3809.1-1. Surface disturbance under M.E.R.R.'s Notice includes newly-constructed access roads, bulk sampling sites and stockpiles, drillholes and drillpads, and many other scrapes, cuts, and other signs of exploratory activity. We believe that Chemical Lime Company is the party responsible to assure that reclamation of this area has been completed.

Reclamation would include leveling and re-contouring the limestone stockpile, ripping and scarifying all of the access roads and drillpads, spreading topsoil over all of the disturbed sites, and re-vegetating the disturbed sites with live native seed.

Please contact this office within 15 days of receipt of this letter to set up a schedule for reclamation of the surface disturbance associated with the subject mining activity, or we will consider you to be in noncompliance with the regulations at 43 CFR 3809.

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MINERALS PROGRAM
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All operators who have established a Record of Noncompliance are required to submit a Plan of Operations and post a bond for 100% of BLM's estimated cost of reclamation, including administrative costs, for any future mining operations.

Thank you for your cooperation. If you have any questions, please feel free to contact Michael Ford of my staff at (801) 977-4300 .

Sincerely,

/s/ Margaret Wyatt

Margaret Wyatt
Pony Express Resource Area Manager

cc:

D. Wayne Hedberg

JTM Industries